



Fact Sheet

U.S. Department of Agriculture
Foreign Agricultural Service

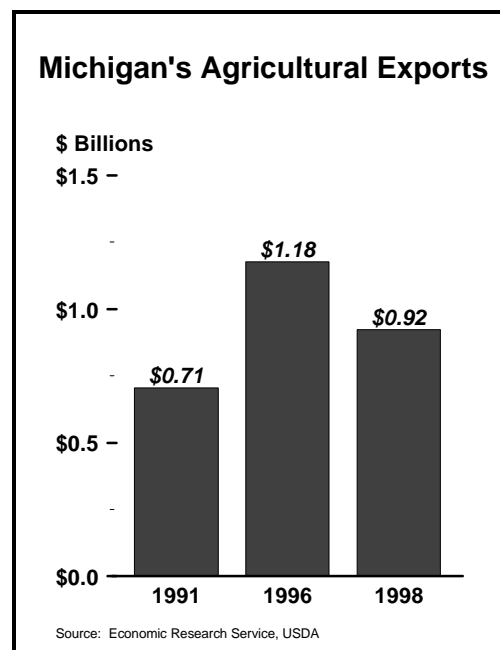
WTO and Agriculture **What's at Stake for Michigan?**

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Michigan is an important producer and exporter of agricultural products. Forest products are also important. The state's farm cash receipts and forest product shipments totaled \$3.5 billion in 1998 and \$1.7 billion in 1996, respectively. Michigan ranked 20th among all 50 states in 1998 with agricultural exports estimated at \$924 million. These exports help boost farm prices and income, while supporting about 14,000 jobs both on and off the farm in food processing, storage, and transportation. Exports are increasingly important to Michigan's agricultural and state-wide economy. Measured as exports divided by farm cash receipts, the state's reliance on agricultural exports has risen from 22 percent to 27 percent since 1991.

The top five agricultural exports in 1998 were:

- # soybeans and products -- \$240 million
- # feed grains and products -- \$163 million
- # vegetables -- \$147 million
- # live animals and red meats -- \$99 million
- # fruits -- \$84 million



World demand for these products is increasing, but so is competition among suppliers. If Michigan's farmers, ranchers, and food processors are to compete successfully for the export opportunities of the 21st century, they need *fair trade* and *fair access* to growing global markets.

Michigan Producers Benefit From Trade Agreements

- # Michigan, a large feed corn producer, benefits under the Uruguay Round as Japan increases its 3.75-million-ton zero duty quota for feed corn by 450,000 tons by 2000. Korea is lowering its in-quota tariff on feed corn and popcorn from 3 percent to 1.8 percent by 2005. As the nation's 8th largest processor of sweet corn, Michigan benefits under the Uruguay Round as Japan, Korea and Thailand lower their tariffs on canned sweet corn. Japan is reducing tariffs on frozen, sweet corn from 12.5 percent to 7.5 percent.
- # As a producer of soybeans, Michigan benefits under the Uruguay Round as Japan reduces its tariffs on soybean oil 36 percent by 2000.
- # As one of the nation's largest commercial apple producers, Michigan benefits under the U.S.-Israel Free Trade Agreement as Israel expands access to its apple market.